IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD

THE HON'BLE SRI JUSTICE GOPALAKRISHNA TAMADA

Writ Petition No.31709 of 1997

Dated: 06-02-2007

Between:

M/s. Krishna Zilla Praja Telephone Operators Sangham,
rep. by its President:
Sri Ch. Satyanarayana,
Labbipet, MG.Road,
Vijayawada – 10.

... Petitioner

and

1. The General Manager,
   Telecom District, Krishna,
   Vijayawada and another.

... Respondents

ORDER:

This petition is filed seeking *mandamus* declaring the impugned action of respondents in insisting the members of petitioner-association to furnish fixed deposit certificates and bank guarantees only from the nationalized banks and schedule banks, as illegal and arbitrary and

consequently direct the respondents to accept the fixed deposit certificates or bank guarantees towards security deposit obtained from
cooperative banks.

2. In the affidavit filed in support of the writ petition it is stated that the STDPT holders in Krishna District are the members of the
petitioner-association. It is stated that whenever STDPT is allotted, the allottee has to furnish a cash deposit of Rs.5,000/- to the Telecom Department or furnish a bank guarantee by way of fixed deposit. According to petitioner, there is no specific provision in the Indian Telephonic Act or the Rules made thereunder that the allottees have to deposit the amount only in scheduled or nationalized banks. It is further stated that more than 200 STDPT allottees have obtained fixed deposit certificates from different cooperative urban banks. The grievance of the petitioner-association is that the respondents are insisting the members of the petitioner-association to furnish fixed deposit certificates from the nationalized banks or from the scheduled banks.

3. Despite the fact that this Court on 25-06-1999 issued *Rule nisi,*
no counter affidavit is filed on behalf of the respondents.

4. Heard learned counsel for the petitioner.

5. Having heard learned counsel for the petitioner; this Court is of the view that in the absence of producing any

guidelines, having statutory force, the respondents cannot direct the members of petitioner-association to furnish fixed deposit certificates and bank guarantees only from the Nationalized banks. When there are no guidelines, insisting upon fixed deposit certificates from a nationalized bank, it makes no difference if the certificates are produced either from a nationalized bank or a cooperative bank. If really, there are any guidelines to the effect that the fixed deposit certificates from scheduled or nationalized banks shall be produced,

then only the respondents have every right to insist upon the members of the petitioner-association to produce such certificates. As already observed, no counter affidavit is filed and no guidelines are produced establishing the fact that the said direction of the respondents is only in accordance with law. Hence, this Court is of the view the members of the petitioner-association has every right to produce the fixed deposit certificates from any bank.

6. Accordingly, the writ petition is allowed. No costs.

JUSTICE GOPALAKRISHNA TAMADA

Dt.06-02-2007
GLV